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October 31, 2006

Honorable James H. Welsh
Commissioner of Conservation
Office of Conservation
Post Office Box 94275
Baton Rouge, LA 70804-4275

Re: Bolivina Perca Zone, Reservoir E
Bolivina Perca Sand, Reservoir J
South Thornwell Field
Jefferson Davis Parish, Louisiana
Alternate Unit Well Designations

Dear Commissioner Welsh:

Application is hereby made on behalf of **DENBURY ONSHORE, LLC** for the calling of public hearings, after ten (10) days legal notice, to consider evidence relative to the issuance of Orders pertaining to the following matters relating to the Bol Perca Zone, Reservoir E, and the Bol Perca Sand, Reservoir J, established by the 479-C Series of Office of Conservation Orders including the units designated BOL P RE SUB and BOL P RJ SUA:

1. To permit the applicant to drill, designate and utilize its Abshire 33 No. 2 Well as alternate unit well for the BOL P RE SUB, said well to be at the location shown on the plat attached hereto and made a part hereof.
2. To permit the applicant to drill, designate and utilize its Walker 32 No. 2 Well and Potter 33 No. 3 Well as alternate unit wells for the BOL P RJ SUA, said wells to be at the locations shown on the plat attached hereto and made a part hereof, with the Potter 33 No. 3 Well located in exception to the spacing provisions of the 479-C Series of Office of Conservation Orders.
3. To find that these wells are necessary to efficiently and economically drain a portion of the reservoir covered by each unit which cannot be so drained by any existing well within each unit.
4. To permit the operator to produce the unit allowable for each of the aforementioned units from the existing unit and alternate unit wells, and the proposed alternate unit wells, in any combination thereof at the discretion of the operator.
5. Except to the extent herein set forth, to continue in full force and effect the provisions of the 479-C Series of Office of Conservation Orders and the units created thereby.

October 31, 2006

6. To consider such other matters as may be pertinent.

The Bolivina Perca Zone, Reservoir E, in the South Thornwell Field, Cameron and Jefferson Davis Parishes, Louisiana, was previously defined in Office of Conservation Order No. 479-C-41, effective February 14, 2006.

The Bolivina Perca Sand, Reservoir J, in the South Thornwell Field, Jefferson Davis Parish, Louisiana, was previously defined in Office of Conservation Order No. 479-C-16, effective April 25, 2000.

The proposed alternate unit wells will permit efficient and economic recovery of hydrocarbons underlying each unit and will not adversely affect the adjacent offsetting units. Also, these wells are necessary to satisfy the market demand for gas and condensate from the field. For these reasons, the applicant respectfully requests permission to drill, designate and utilize the aforementioned wells to serve their respective units.

Attached hereto and made a part hereof is a plat outlining the applicant's proposal and a list of the names and addresses of the Interested Owners, Represented Parties and Interested Parties to whom a copy of this application is being sent. Pursuant to the Revised Rules of Procedure, such list of parties is being furnished only to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation; however, the list of parties will be provided to any party requesting a copy of it. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Interested Parties and Represented Parties.

Finally, enclosed herewith is our check on behalf of the applicant in the amount of \$1,510.00 made payable to the Office of Conservation and representing the required hearing application fee.

Very truly yours,



Richard W. Revels, Jr.

RWR/df
Enclosures

cc: Mr. Richard Hudson, Lafayette District Office of Conservation
cc: Interested Owners, Represented Parties and Interested Parties

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